



March 30, 2005

ENGROSSED SENATE BILL No. 278

DIGEST OF SB 278 (Updated March 23, 2005 12:45 pm - DI 113)

Citations Affected: IC 4-33; IC 6-1.1; IC 36-1.

Synopsis: Riverboat revenue from development agreements. Specifies requirements for the handling of money received under a development agreement between the licensed owner of a riverboat and a political subdivision. Requires operating agents and riverboat owners to annually report to the gaming commission the amounts of incentive payments made to political subdivisions or the state. Requires operating agents and riverboat owners to report to the gaming commission the amounts paid to nongovernmental entities for a purpose other than contractual services.

Effective: July 1, 2005.

Meeks, Rogers
(HOUSE SPONSOR — ESPICH)

January 6, 2005, read first time and referred to Committee on Appropriations.
January 27, 2005, amended, reported favorably — Do Pass.
February 1, 2005, read second time, ordered engrossed.
February 2, 2005, engrossed.
February 8, 2005, read third time, passed. Yeas 46, nays 4.

HOUSE ACTION

March 7, 2005, read first time and referred to Committee on Ways and Means.
March 24, 2005, amended, reported — Do Pass.
March 29, 2005, referred to Committee on Ways and Means pursuant to House Rule 127.

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ES 278—LS 6328/DI 92+



March 30, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 278

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-33-4-23 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2005]: **Sec. 23. (a) An operating agent or a person holding an**
4 **owner's license must report annually to the commission the**
5 **following:**

6 (1) **The total dollar amounts and recipients of incentive**
7 **payments made to political subdivisions or the state.**

8 (2) **The total dollar amounts and recipients of payments that**
9 **are made:**

10 (A) **to an entity other than a political subdivision or the**
11 **state; and**

12 (B) **for a purpose other than contractual services.**

13 (3) **Any other items related to the payments described in**
14 **subdivisions (1) and (2) that the commission may require.**

15 (b) **The commission shall prescribe, with respect to the report**
16 **required by subsection (a):**

17 (1) **the format of the report;**

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- (2) the deadline by which the report must be filed; and
 (3) the manner in which the report must be maintained and filed.

SECTION 2. IC 6-1.1-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

- (1) ~~poor relief~~; **township assistance**;
- (2) unemployment relief;
- (3) old age pensions; or
- (4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

(b) **When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement (as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year.**

SECTION 3. IC 36-1-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Each unit that receives:

- (1) tax revenue under IC 4-33-12-6 ~~or~~ IC 4-33-13; ~~or~~
- (2) **revenue under** an agreement to share ~~a city's or county's part~~ of the tax revenue **received under IC 4-33-12 or IC 4-33-13 by another unit; or**
- (3) **revenue under a development agreement (as defined in section 9.5 of this chapter);**

may establish a riverboat fund. Money in the fund may be used for any legal or corporate purpose of the unit.

(b) The riverboat fund established under subsection (a) shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not

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1 currently needed to meet the obligations of the fund may be invested
 2 in the same manner as other public funds may be invested. Interest that
 3 accrues from these investments shall be deposited in the fund. Money
 4 in the fund at the end of a particular fiscal year does not revert to the
 5 unit's general fund.

6 SECTION 4. IC 36-1-8-9.5 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2005]: **Sec. 9.5. (a) As used in this section, "development**
 9 **agreement" means an agreement between a licensed owner (as**
 10 **defined in IC 4-33-2-13) and a unit setting forth the licensed**
 11 **owner's financial commitments to support economic development**
 12 **in the unit.**

13 **(b) Funds received by a unit under a development agreement**
 14 **are public funds (as defined in IC 5-13-4-20).**

15 **(c) Funds received under a development agreement:**

- 16 **(1) may not be used to reduce the unit's maximum levy under**
 17 **IC 6-1.1-18.5 but may be used at the discretion of the unit to**
 18 **reduce the property tax levy of the unit for a particular year;**
 19 **(2) may be used for any legal or corporate purpose of the unit,**
 20 **including the pledge of money to bonds, leases, or other**
 21 **obligations under IC 5-1-14-4; and**
 22 **(3) are considered miscellaneous revenue.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 278, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-33-4-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 23. (a) An operating agent or a person holding an owner's license must report annually to the commission the following:**

(1) The total dollar amounts and recipients of incentive payments made to political subdivisions or the state.

(2) Any other items related to the payments described in subdivision (1) that the commission may require.

(b) The commission shall prescribe, with respect to the report required by subsection (a):

(1) the format of the report;

(2) the deadline by which the report must be filed; and

(3) the manner in which the report must be maintained and filed."

Page 2, delete lines 37 through 42.

Page 3 delete lines 1 through 8.

Page 3, line 9, delete "(f)" and insert "(c)".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 278 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 8, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 278, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 7 and 8, begin a new line block indented and insert:

"(2) The total dollar amounts and recipients of payments that are made:

(A) to an entity other than a political subdivision or the state; and

(B) for a purpose other than contractual services."

Page 1, line 8, delete "(2)" and insert "(3)".

Page 1, line 9, delete "subdivision (1)" and insert "**subdivisions (1) and (2)**".

and when so amended that said bill do pass.

(Reference is to SB 278 as printed January 28, 2005.)

ESPICH, Chair

Committee Vote: yeas 21, nays 0.

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